



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

August 13, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

32 August 13, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVE THE EXCHANGE OF FEDERAL FUNDS FOR NON-FEDERAL FUNDS
THROUGH THE FEDERAL APPORTIONMENT EXCHANGE PROGRAM
AND STATE MATCH PROGRAM
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

This action is to approve the exchange of a portion of the County of Los Angeles current Federal funds with the State of California for non-Federal funds from the State Highway Account in the amount of \$950,813 and for the State to pay the County \$100,000 in State matching funds for Fiscal Year 2012-13.

IT IS RECOMMENDED THAT THE BOARD:

Approve and instruct the Chairman of the Board to sign an agreement between the County of Los Angeles and the State of California that assigns the County apportionment of Federal funds in the amount of \$950,813 to the State in exchange for an equal amount of non-Federal State Highway Account funds and allocates to the County \$100,000 in State matching funds from the State Highway Account for Fiscal Year 2012-13, for a total payment of \$1,050,813 to the County.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended action is to approve the enclosed agreement to execute the exchange of funds and to receive the annual allocation of State matching funds. The use of Federal funds by the County for highway projects requires conformance with certain detailed documentation processes. By accepting non-Federal State Highway Account funds in exchange for Federal funds from the State, the County is relieved of these Federal documentation requirements.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1). This action provides the County with less restrictive funds to improve its roads for the benefit of the motoring public.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

After execution of this agreement, the Department of Public Works will prepare and submit an invoice to the State in the amount of \$1,050,813. Once received, these funds will be utilized for projects in the Fiscal Year 2013-14 Road Fund Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The agreement has been reviewed and approved, as to form, by County Counsel.

Under the Federal Moving Ahead for Progress in the 21st Century Act, the California Department of Transportation allocates the Regional Surface Transportation Program funds to metropolitan planning organizations or regional transportation planning agencies that in turn apportion these funds to counties based on specified formulas.

In accordance with Section 182.6(h)(2) of the Streets and Highways Code, the County may exchange a portion of its Regional Surface Transportation Program funds for non Federal State Highway Account funds. Additionally, Section 182.9 of the Streets and Highways Code requires that the State allocate to each county an amount not to exceed \$100,000 each fiscal year from non-Federal funds in the State Highway Account as match for the Federal funds allocated to each county pursuant to Section 182.6. The agreement provides for the exchange of \$950,813 of the County's apportionment of Regional Surface Transportation Program funds and claims \$100,000 in State matching funds for Fiscal Year 2012-13, for a total of \$1,050,813 in non-Federal State Highway Account funds.

ENVIRONMENTAL DOCUMENTATION

In accordance with Section 15378(b)(4) of the California Environmental Quality Act Guidelines, the proposed action does not constitute a project and, therefore, is not subject to the requirements of the California Environmental Quality Act. The approval of the agreement is a fiscal activity that does not involve any commitment to any specific project that may result in the potentially significant impact on the environment.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The funds covered under this agreement will be used on future transportation improvement projects in the County.

CONCLUSION

Please return one adopted copy of this letter and two originals of the agreement to the Department of Public Works, Programs Development Division. After the agreement has been executed by the California Department of Transportation, Public Works will return a fully executed agreement to the Executive Office.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER
Director

GF:JTW:pr

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office

FEDERAL APPORTIONMENT EXCHANGE PROGRAM AND STATE MATCH PROGRAM
CALIFORNIA DEPARTMENT OF TRANSPORTATION - MPO COUNTY

07 LOS ANGELES
District County

Agreement No. X13-5953(676)
AMS Adv ID:0713000428

THIS AGREEMENT is made on _____, by the COUNTY of LOS ANGELES, a political subdivision of the State of California (COUNTY), and the State of California, acting by and through the Department of Transportation (STATE).

WHEREAS, COUNTY desires to assign apportionments made available to COUNTY for allocation to transportation projects under the "Moving Ahead for Progress in the 21st Century Act" (MAP-21), as modified in accordance with Section 182.6 of the Streets and Highways Code [Regional Surface Transportation Program (RSTP) funds] in exchange for nonfederal State Highway Account funds, and

WHEREAS Section 182.9 of the Streets and Highways Code requires the allocation of State Matching funds from the State Highway Account to COUNTY:

NOW, THEREFORE, the parties agree as follows:

I. FEDERAL APPORTIONMENT EXCHANGE PROGRAM

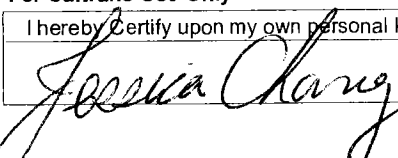
A. As authorized by Section 182.6(h)(2) of the Streets and Highways Code, COUNTY agrees to assign to STATE:

\$950,813.00 from the eligible portion of its estimated annual minimum RSTP Apportionment for Fiscal Year 2012/2013

The eligible portion of said minimum apportionment is the COUNTY's estimated annual minimum RSTP apportionment established under Section 182.6(d)(2) of the Streets and Highways Code in excess of 3 1/2 percent of the statewide minimum apportionment established under Section 182.6(d)(2) less any federal apportionments already obligated for projects chargeable to COUNTY's eligible portion of its estimated annual minimum RSTP apportionment.

B. (DELETED)

For Caltrans Use Only

I hereby Certify upon my own personal knowledge that budgeted funds are available for this encumbrance		
	Accounting Officer	Date 5/22/13 \$ 1,050,813.00

C. COUNTY agrees that it will not undertake any capacity-expanding project funded herein located in an air quality nonattainment area without prior inclusion of said project by its RTPA in the "build" alternative of the air quality conformance analysis and the RTPA's subsequent concurrence in the project's implementation.

II. STATE MATCH PROGRAM - Section 182.9

A. As authorized by Section 182.9 of the Streets and Highways Code, STATE agrees to pay to COUNTY \$100,000.00 from the unobligated balance of COUNTY's State Matching funds for Fiscal Year 2012/13.

B. COUNTY agrees that before COUNTY uses State Matching funds for any other lawful purpose, COUNTY shall use such funds to match federally funded transportation projects.

III. COMMON PROVISIONS

A. Subject to the availability of State funds by the State Budget Act, and upon receipt of COUNTY invoice evidencing COUNTY's assignment of COUNTY's estimated apportionment under Section I.A to STATE, STATE agrees to pay to COUNTY an amount not to exceed \$1,050,813.00 that equals the sum of the estimated apportionment amounts identified in Sections I.A and the State Match funds identified in Section II.A.

B. COUNTY agrees to use all State funds paid hereunder only for transportation purposes that are in conformance with Article XIX of the California State Constitution.

C. COUNTY agrees to establish a special account within their County Road Fund for the purpose of depositing all payments received from STATE pursuant to this agreement.

D. COST PRINCIPLES

1) Except as otherwise provided herein, the COUNTY agrees to comply with, and require all project sponsors to comply with, Office of Management and Budget Circular A-87, Cost Principles for State and Local Government, and with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Notwithstanding the foregoing, COUNTY shall not be required to comply with 49 CFR, Part 18.36(i), subsections (3), (4), (5), (6), (8), (9), (12) and (13).

2) COUNTY will assure that its fund recipients will be obligated to agree that (a) Contract Cost Principles and Procedures, 48 CFR, Federal Acquisition Regulations System, Chapter 1, Part 31, et seq., shall be used to determine the allowability of individual project cost items and (b) those parties shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. Every sub-recipient receiving funds as a contractor or sub-contractor under this Agreement shall comply with Federal administrative procedures in accordance with 49 CFR, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

3) Any Fund expenditures for costs for which COUNTY has received payment or credit that are determined by subsequent audit to be unallowable under Office of Management and Budget Circular A-87, 48 CFR, Chapter 1, Part 31 or 49 CFR, Part 18, are subject to repayment by COUNTY to STATE. Should COUNTY fail to reimburse funds due STATE within 30 days of demand, or within such other period as may be agreed in writing between the Parties hereto, STATE is authorized to intercept and withhold future payments due COUNTY from STATE or any third-party source, including, but not limited to, the State Treasurer, the State Controller and the CTC.

E. THIRD PARTY CONTRACTING

1) COUNTY shall not award a construction contract over \$10,000 or other contracts over \$25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed using funds without the prior written approval of STATE.

2) Any subcontract or agreement entered into by COUNTY as a result of disbursing funds received pursuant to this Agreement shall contain all of the fiscal provisions of this Agreement; and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as project costs only after those costs are incurred and paid for by the subcontractors.

3) In addition to the above, the preaward requirements of third party contractor/consultants with COUNTY should be consistent with Local Program Procedures as published by STATE.

F. ACCOUNTING SYSTEM

COUNTY, its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate fund expenditures by line item. The accounting system of COUNTY, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices.

G. RIGHT TO AUDIT

For the purpose of determining compliance with this Agreement and other matters connected with the performance of COUNTY'S contracts with third parties, COUNTY, COUNTY's contractors and subcontractors and STATE shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such materials available at their respective offices at all reasonable times for three years from the date of final payment of funds to COUNTY. STATE, the California State Auditor, or any duly authorized representative of STATE or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent for audits, examinations, excerpts, and transactions, and COUNTY shall furnish copies thereof if requested.

H. TRAVEL AND SUBSISTENCE

Payments to only COUNTY for travel and subsistence expenses of COUNTY forces and its subcontractors claimed for reimbursement or applied as local match credit shall not exceed rates authorized to be paid exempt non-represented State employees under current State Department of Personnel Administration (DPA) rules. If the rates invoiced are in excess of those authorized DPA rates, then COUNTY is responsible for the cost difference and any overpayments shall be reimbursed to STATE on demand.

I. SINGLE AUDIT

COUNTY agrees to include all State and federal funded projects in the schedule of projects to be examined in COUNTY's annual audit and in the schedule of projects to be examined under its single audit prepared in accordance with Office of Management and Budget Circular A-133.

STATE OF CALIFORNIA
Department Of Transportation

COUNTY OF LOS ANGELES

Office of Project Implementation
Division of Local Assistance
Date:

Chair, Board of Supervisors
Date:

APPROVED AS TO FORM:
JOHN F. KRATTLI
County Counsel

By *Julia Wilson*
Deputy

0713000428

Local Assistance

ADA Notice: For individuals with sensory disabilities, this document is available in alternate formats. For information, call (915) 654-6410 or TDD (916) -3880 or write Records and Forms Management, 1120 N. Street, MS-89, Sacramento, CA 95814.